

**PRESIDENT JOHNSON TORIBIONG  
REPUBLIC OF PALAU  
JANUARY 15, 2009**

**INAUGURAL ADDRESS**

Paramount High Chief Ibedul, Paramount High Chief Reklai, Traditional Chiefs of Palau, Ebil Reklai, Bilung, and Mechesil Belau, Vice President Kerai Mariur, Senate President and Senators, Speaker of the House and Delegates, Chief Justice and judges, distinguished members of the Diplomatic Corps, honored guests, my fellow Palauans, ladies and gentlemen:

Greetings and good morning.

In keeping with our Palauan tradition, I must first pay my respect to our traditional leaders.

Ibedul, Reklai and Rubekul Belau, Bilung, Ebil Reklai, and Rdelal and Mechesil Belau and all traditional leaders:

I would like to publicly acknowledge the important roles you have played over the years as stewards of our traditional heritage. Indeed, our traditions have sustained us and have made our nation unique. We are blessed by your presence here today. On behalf of the people of Palau, I thank you for your abiding support and your leadership roles in the political development of our nation.

My fellow Palauans, I stand before you today honored and humbled by the expression of confidence you have given me. At the

same time I am inspired and invigorated to serve you with courage to do what is best for our nation and what is right. What is right is to ensure that public interest always triumphs over any private or personal interest.

Indeed, I am thankful to you. But to thank you with words is not sufficient. Only action would suffice by turning to reality the promise of a brighter future for our nation. But this will take time and require unwavering dedication, hard work, and personal sacrifices by all of us. And for my part, I will do my utmost to turn my promises into realities.

My dear fellow Palauans. I believe, we are a blessed people.

From the ashes of World War II, we have rebuilt our government upon the principles of democracy and individual rights and freedoms.

We have risen from being a ward of the United Nations to be one of its members.

We have become a loyal partner of our former trustee, the United States of America, the most powerful nation in the world today.

And today we are gathered here to celebrate and honor once again the inauguration of our constitutional government as a free people.

This is the inauguration of our 8<sup>th</sup> constitutional government, but it is a historic occasion. For the first time it is being held in Babeldaob Island as mandated by our Constitution. And we all arrived in this courtyard of our new capitol using a modern road that has tamed a once impregnable rain forest and wild terrain. And we thank the United States of America for building this roadway to fulfill its promise under the Compact of Free Association.

Our new capitol and the Compact road reflect the fact that our Republic is built upon two fundamental documents: our Constitution and our Compact of Free Association with the United States of America.

And through our Constitution, the supreme law of the land, you, the people of Palau, have prescribed the responsibilities and goals of good government. And they are, and I quote:

“[the]. . .conservation of a beautiful, healthful and resourceful environment;

[the] promotion of the national economy;

[the] protection of the safety and security of persons and property;

[the] promotion of the health and social welfare of the citizens through free or subsidized health care;

and provision of public education for citizens which shall be free and compulsory as prescribed by law.” Article VI, Palau Constitution.

In short, the primary responsibility of our government is to improve the quality of life of our people.

These responsibilities are equally important. But the focus of my administration shall be placed on the advancement of the education of our youth, the promotion of health care for our people, and the protection of our environment as our top priorities. All of these responsibilities require adequate financial support. And this makes the promotion of our national economy a challenge which requires our immediate attention.

Each of these responsibilities can only be carried out successfully with full cooperation, commitment and support of our National Congress, the Olbiil Era Kelulau. And I commit to work with them to improve the quality of our life. This is our mission. This is the mandate of our people.

My fellow Palauans, our past leaders successfully led our nation to achieve their dream of political independence in Free Association with the United States. They succeeded.

Today our collective responsibility is to lead this nation toward greater economic self-sufficiency. Political independence without economic self-sufficiency is but a hollow and fragile illusion. We too must succeed. Failure is not an option.

Economic self-sufficiency should always be our guiding star.

In order to move forward on the road toward economic self-sufficiency, we must cultivate to its full potential our human resource.

As I always say, the strength and success of our nation depends in large measure upon the education, training, work ethic and productivity of our people.

And so, we must always consider our youth as a most valuable asset.

Education and health of our people should remain as our top priority. So I urge our young people to be high achievers, to continually improve their education and to cultivate a healthy life style. I urge all the parents, teachers and health caregivers, and indeed all of us, to channel our efforts toward helping our children become contributing and productive citizens.

My administration shall commit the efforts required to improve the quality of education and health care for our people. This is a mandate of our Constitution.

We must emphasize the fact that Palau is no longer an isolated island in view of the critical challenges facing our planet, which can easily affect our well-being. Under the administration of President Tommy E. Remengesau, Jr., Palau has earned the reputation as one of the champions in the movement to preserve our global environment. Yes, we are stewards of our environment, and we must act accordingly. This is also a mandate of our constitution.

Fellow Palauans, it should be acknowledged that we are most thankful to the United States of America for the guidance and support they provided over the years which made our independence possible. The United States is still our major benefactor and defender.

The benefit of being able to rely on our unique relationship with the United States of America is forever preserved in our hearts.

I affirm that Palau is committed to the continuation and enhancement of our relationship with the United States under the Compact of Free Association.

We all know that the package of economic and financial benefits extended to us by the United States under the Compact was at its fullest in 1994 when it was first implemented. These benefits declined gradually until this fateful year when the United States subsidy for our governmental operations shall be phased out. This year, 2009, marks the new phase of our economic relationship with the United States under the Compact. Our government was supposed to rely on our local revenues and the Compact Trust Fund in order to carry on into the

future.

The truth be told, our local revenues at this time are not enough to replace the United States subsidies. And our Compact Trust Fund has in the last 6 months of 2008 sustained a heavy loss of approximately \$50 million.

The substantial loss to our Compact Trust Fund resulted from the economic recession which first occurred in the United States, and then the world.

In short, our Trust Fund did not perform as was originally anticipated by both the United States and ourselves. As a result our Compact Trust Fund has become one of the most critical issues to be considered during the Compact Review with the United States of America this year.

In as much as precious little has been accomplished so far on the subject of Compact Review, getting the United States to join Palau at the same table and to review the Compact will be my administration's first and highest priority. But let me be clear. I cannot overemphasize just how critical and how difficult this will be to accomplish in the few short months left before the end of the fifteenth anniversary of the Compact.

It is our obligation to ensure that our mutual expectations and hope under the Compact are safe-guarded. Based upon the Compact, Palau was emancipated from the United Nations trusteeship. Therefore, it is incumbent upon us to show to the world that Palau under the Compact of Free Association with the United States is a success story.

I believe our partner, the United States of America, understands

our situation and our concerns.

In addition to this challenge, we shall face the local budgetary issues, and of particular importance is our government's outstanding debt. We made some progress in the past, but that progress was made at the expense of our financial health. We lived beyond our means by borrowing from the future of our children. It is our obligation to pay our debt and to begin to live within our means.

As a nation, we should never abandon our traditional way of life based upon the resources of our land and sea and our tradition of mutual cooperation and support. From this traditional base, we will promote the development of agriculture and fisheries at subsistence and commercial levels. And furthermore, we shall explore, and if feasible, exploit our God-given resources, such as oil and natural gas, without sacrificing the quality of our environment.

To our distinguished guests from abroad and to all our friends in the international community, on behalf of our people, I extend to each of you a very warm welcome. I hope that from your brief stay with us you will take back many good memories. We appreciate your show of good will to our nation by your attendance here today.

Since our independence in 1994, we have been a close partner of the United States and an active member of the international community. We have faithfully supported the policies of the United States and its allies in the fight against regional and global terrorism, money laundering, global warming, among other concerns. Our responsibility towards achieving international peace and security is ever present.

Even with our limited resources, we have sent many of our young men and women to join the United States armed forces in the

combat zones of Afghanistan and Iraq. We honor and remember our young citizens who have made the ultimate sacrifice in the fight for global peace, security, democracy and justice.

We also have deployed some of our young men and women to join the United Nations peace-keeping forces in East Timor, Solomon Islands, and Somalia; in fact, some are still in those troubled hot-spots of the world today, and we wish them a safe return.

To our allies in the international community, rest assured, we are fully committed to honor and fulfill our obligations as a member of the international community.

Indeed, the United States of America is our special partner, but we also have close friends in Asia-Pacific Region, including, but not limited to, Japan, Republic of China-Taiwan, the Philippines, South Korea, and of course the Pacific island nations and territories, especially those in Micronesia. All of those nations have helped us in many ways. But it would be remiss not to make special mention of two other nations for their generous assistance. Those are Japan and the Republic of China-Taiwan, especially in the development of our infrastructure where they are most welcome. The Japan-Palau Friendship Bridge represents our strong, binding friendship and historical relationship with Japan; and this Capitol stands as testimony to the close relations we have forged with the Republic of China-Taiwan.

To all our friends and allies in the international community, we are, and will always be, most thankful for your friendship and support.

At this time in our history, we, the people of Palau, must come together and face up to the economic and financial challenges ahead. I believe that working together with true Palauan spirit, we can carry on through these times of uncertainty and discontent.

It was my campaign slogan, and I say it again: “Moving forward  
With true Palauan spirit.”

We, as Palauans, are proud descendants of a people who founded and made these islands their home long ago. They established self-sufficient and vibrant communities on these islands. They sustained their livelihood with the fruits of their own hard work and the bounty of our land and sea. Archeologists have discovered remains of our ancestors who lived on our islands hundreds of years before Christ was born. Among the attributes of their spirit were competitiveness, courage, cooperation, perseverance, and the willingness to sacrifice the present convenience for the sake of a better tomorrow. We all have heard the Palauan expression, “Telkangel a Uchul eng Beluu Ngersuul.” (Perseverance made Ngersuul Village possible).

Our ancestors survived natural calamities while living in isolation, initial confrontations with foreigners, and colonial domination. They suffered the atrocities of World War II. And yet they survive through us today. They had a very strong and indomitable spirit. We are living proof of that spirit.

Let me say this to you, my dear fellow Palauans, especially the young among us: that spirit of our ancestors is within us. Perhaps it has been dormant over the years because of the lure of convenient reliance on foreign largess; but now it is necessary for us as a sovereign people to be inspired and driven by that spirit within us. We need it now in these difficult times when world economic shock-waves will likely reduce foreign aid and grants. Our actions must be proactive if we are to survive the trying times that loom ahead. With our Palauan spirit, we, like our ancestors, shall succeed. Like them, we are Palauans.

To quote United States President-elect Barack Obama, “Yes, we can.”

I believe the economic challenges before us will bring out the best of us. I am confident that with the spirit of hard work, cooperation, perseverance and sacrifice, we shall prevail.

We should also be inspired by the timeless and eloquent words of President John F. Kennedy of the United States, who said: “Ask not what your country can do for you; ask what you can do for your country.” We all know them, but we should heed his admonitions: “God’s work must be truly our own.”

My major economic development policy is to welcome foreign investment to our shores to help us increase the economic benefits to our people and our government. We need to bring Palau within the sphere of trade and commerce of the Asia Pacific Region and the world. We should not be afraid of foreign investors. Our constitution is our fortress and the United States is our protector.

And our nation has a strong tradition of the rule of law and impartial judiciary and these make Palau a safe and secure place to invest and do business in.

We have prospered through forging good relationships with foreign nations. We need a broader base of foreign investment and assistance to help us develop our island nation toward greater economic self sufficiency.

Self sufficiency does not mean that we have to do it alone or all by ourselves.

Let me emphasize this fact: We are not isolationist people. We can find our people living and working all over the world.

To those of you who are not convinced of my administration's economic development policy, let me remind you of the Biblical parable of a master who distributed talents to his servants before he left on a long journey. To one, he gave 5 talents; another, 2 talents; and to the last, one talent. Upon his return, he summoned his servants to settle accounts with them. The ones with 5 and 2 talents invested them wisely and increased them by two-fold. The one with 1 talent, fearful of his stern master, buried his one talent in the ground for safe-keeping. Upon his return, the master rewarded the first two for being good and faithful servants; then he turned to the last one and said, you wicked and lazy servant, you should have deposited the money in a bank so that it would have borne interest. Then he cast him into the outer darkness where there was weeping and gnashing of teeth.

Fellow Palauans, I believe that one of the teachings from this parable is that what nature and others have given us, we should invest them wisely to increase their value. This should be the basis of our economic-development policy. We must utilize our resources, our talent, and our sovereignty in order to increase their value and benefits to us.

We must make our islands a place where investments flourish and the people prosper. Let us bring in investments which will utilize our lands, seas, our natural resources thereby increasing job opportunities for our people and tax revenues to our government. This is also a mandate of our constitution - the promotion of our national economy. With greater economic self-sufficiency, we shall be able to effectively improve the quality of our life.

To all my fellow Palauans, who are assembled here, and to those at home or abroad, we thank you for your continued understanding and support. Let me assure you of our commitment to do everything within our power and our resources to make Palau, a Pacific island nation we are proud to call home, a model of democracy, justice, and hopefully a

more prosperous and shining island republic at the rainbow's end in the Pacific.

In closing, let me call our attention to the last sentence of the Preamble to our Constitution. It reads: "We venture into the future with full reliance on our own efforts and divine guidance of Almighty God." This is a reflection of the true Palauan spirit. And now time is calling us to move forward toward greater economic self-sufficiency with true Palauan spirit. We shall prevail because we are Palauans.

May God bless you and may God bless the Republic of Palau.

Johnson Toribiong